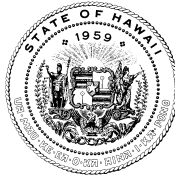


LINDA LINGLE
GOVERNOR
STATE OF HAWAII



MICAH A. KANE
CHAIRMAN
HAWAIIAN HOMES COMMISSION

BEN HENDERSON
DEPUTY TO THE CHAIRMAN

KAULANA H. PARK
EXECUTIVE ASSISTANT

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

P.O. BOX 1879
HONOLULU, HAWAII 96805

August 9, 2006

MEMO TO: All Interested Parties

FROM: Micah A. Kane, Chairman
Hawaiian Homes Commission

SUBJECT: Annual Performance Report
Native Hawaiian Housing Plan

Aloha! In December 2000, Congress amended the Native American Housing Assistance and Self-Determination Act (NAHASDA) by adding Title VIII, which included Native Hawaiians, and rules to implement Title VIII were published in June 2002 and November 2003. The Native Hawaiian Housing Block Grant (NHHBG) provided \$9,600,000.00 in grant funds to the Department of Hawaiian Home Lands (DHHL) to implement the Native Hawaiian Housing Plan (NHHP) for FY 2002; \$9,537,600.00 for FY 2003; \$9,443,950.00 for FY 2004; and \$8,432,000.00 for FY 2005.

An Annual Performance Report (APR) for FY 2006 has been prepared and a copy is attached for your information and comment. Comments should be sent to the Department of Hawaiian Home Lands, P.O. Box 1879, Honolulu, Hawaii 96805, Attention: NAHASDA or faxed to (808) 586-3899 and will be accepted until **August 25, 2006**.

Comments and recommendations will be taken into consideration in finalizing the APR, which must be submitted to the Department of Housing and Urban Development (HUD) by August 30, 2006.

If you have any questions or if you need additional information, please call Sandra Asato, Planning and Development Coordinator/NAHASDA, at (808) 587-6487.

Mahalo!

Attachment

Annual Performance Report Cover Sheet

Department of Hawaiian Home Lands (DHHL)

Reporting period for which this APR is prepared: from: 7/1/05 to: 6/30/06
(mm/dd/yy) (mm/dd/yy)

Sandra Asato Name of Contact Person		Planning and Development Coordinator, NAHASDA Title	(808) 587-6487 Telephone no. with Area Code
Micah A. Kane Name of official authorized to submit APR	Chairman, Hawaiian Homes Commission Title	Signature	Date

Certification: The information contained in this report is accurate and reflects the activities actually accomplished during the reporting period. Activities planned and accomplished are eligible under applicable statutes and regulations and were included in the applicable one-year activities in the corresponding Native Hawaiian Housing Plan.

Warning: If you knowingly make a false statement on this form, you may be subject to civil or criminal penalties under Section 1001 of Title 18 of the United States Code. In addition, any person who knowingly and materially violates any required disclosure of information, including intentional disclosure, is subject to civil money penalty not to exceed \$10,000 for each violation.

For HUD use only

Date APR is received by HUD	Time	Logged in by
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Part I – Reporting on the One-Year Native Hawaiian Housing Plan (NHHP)

[NOTE: A separate Part I (that includes Tables I and II) must be completed for each open grant.]

Is this the final APR for this grant? Check one: Yes No X

Each year, the DHHL develops goals and objectives in the NHHP that describe the use of NHHBG funds. At the end of the program year, a report on the progress made towards achievement of the goals and objectives is provided to the public and to HUD.

1. Report on each of the one-year goals and objectives identified in the NHHP for this reporting period on a table format developed by the DHHL. The table should include the following information: Goal, Objective and Task Identification Number; Description of Goal, Objective or Task; Budgeted Amount by Goal, Objective or Task; Expended Amount by Goal, Objective or Task; Project or Program Description; and Accomplishments during the Program Year. Provide an explanation for any cost overruns or delays in completing Goals, Objectives or Tasks.

During FY 2005-06, DHHL expended all PY1 funds by June 30, 2006. The issuance of interim construction loans for the Panaewa Self-Help Project (Objective 1A, Task4) utilized all remaining 02NHGHI0001 funds, which required funding the balance of a few projects from 03NHGHI001 funds—the activities were also described in the Native Hawaiian Housing Plan for PY2.

There are projects in which NHHBG funds are used in a variety of ways: infrastructure construction, low-interest loans, subsidies, downpayment assistance, technical assistance for self-help housing, which is the case for Panaewa. The budgeted amounts of NHHBG funds in Table IIa were adjusted within the Development portion to more accurately reflect funds expended. The units and families were not double counted in Table IIb.

Although all 02NHGHI0001 funds were expended by June 30, 2006, not all housing units were completed by June 30, 2006. Therefore, this will not be the final APR for this grant. The next APR for 02NHGHI0001 will report all completed units to reflect an accurate use of these funds.

See Attachment 10 for details of each Objective and Task.

2. Are you on schedule to complete the 5-year goals identified in your NHHP?

Check one: Yes ☒ No ☐

3. If the answer to #2 is no, explain causes for delays and how you plan to modify your program to meet your 5-year goals and objectives.

NA

4. How would you change your programs in general as a result of your experience with the implementation of NAHASDA?

Working with ONAP (Tom Wright) and Wells Fargo Mortgage, during FY 05-06 DHHL utilized the Section 184A Loan Guarantee Program with DHHL as the borrower for 11 loans to construct houses on the island of Maui. The pilot program did not work as intended due to the contractor's unfamiliarity with the loan product and DHHL's inexperience with the product. The 11 loans were paid in full, utilizing the loan funds which were in escrow, prior to completion of the houses to reduce further losses by DHHL. The experience provided DHHL and ONAP with insight in developing a product for individual borrowers. Processing procedures are being developed by ONAP to implement this program.

Sources of Funds (Table I)

Explains the sources of funds that are available to DHHL for the housing activities. The information should be provided in table format and include: Funding Sources, Planned Amount, and Funds Actually Awarded (See Attachment 1 for a sample).

Funding Sources – A list of the grants, loans and donations that DHHL received to use for housing activities. Sources could include the NHHBG, other HUD grant programs, program income generated from NHHBG funds and activities, other federal grant programs, state grant programs, and private or commercial funding.

Planned Amount – A list of the planned amounts anticipated by DHHL to be received in the NHHP.

Funds Actually Awarded – A list of the amounts actually received by DHHL from the various funding sources.

Narrative:

If funds actually received are different than planned amounts, explain why the planned amount was not realized and how planned activities are impacted.

Uses of NHHG Funds (Table II)

Compares the funds planned to be expended in the NHHP by planned allowable activities to the actual funds expended for allowable activities. The information should be presented in a table format and compares the planned number of units and the planned number of families to be assisted in the NHHP to the actual number of units started or completed and the actual number of families assisted during the reporting period and cumulatively. (See Attachment 2 for a sample)

Narrative:

Amount of NHHBG funds (principal only) invested as of this reporting period end date.

\$ 0.00

Grant Number 02NHGHI0001**Table I – Sources of Funds**

Sources of Funds for NHHBG Activities	Planned Amount (from the NHHP)	Total Amount Actually Awarded
(a)	(b)	(c)
1. HUD Resources		
a. Native Hawaiian Housing Block Grant	\$9,600,000.00	\$9,600,000.00
b. Program Income*	\$0.00	\$ 100.00
c. Other HUD Programs	\$0.00	\$0.00
2. Other Federal Resources	\$0.00	\$0.00
a.		
b.		
c.		
3. State Resources	\$0.00	\$0.00
a.		
b.		
c.		
4. Private Resources	\$0.00	\$0.00
a.		
b.		
c.		
5. Total Resources	\$9,600,000.00	\$9,600,100.00

* Funds received from principal repayment and interest on loans issued from NHHBG funds.

Grant Number 02NHGHI0001**Table IIa – Uses of NHHG Funds**

Activity		Planned (from the NHHP)		Year-to-Date		Cumulative-to-Date		Percentage of NHHBG Grant Funds Obligated
		Budgeted NHHBG Amount	Budgeted Other Amounts	Grant (NHHBG) Funds Expended	Other Funds Expended	Grant (NHHBG) Funds Expended	Other Funds Expended	
(a)		(b)	(c)	(d)	(e)	(f)	(g)	(h)
1.	Development	\$8,920,000.00		\$1,847,144.00	\$ 100.00*	\$8,918,201.00	\$ 100.00	100.0%
a)	Rental							
	Construction of new units							
	Acquisition							
	Rehabilitation							
b)	Homeownership							
	Construction of new units	\$5,570,000.00	\$ 0.00	\$ 199,632.00	\$ 100.00	\$6,292,350.00	\$ 100.00	113.0%
	Loan Programs	\$3,250,000.00	\$ 0.00	\$1,275,632.00		\$1,445,632.00		44.5%
	Grants	\$ 100,000.00	\$ 0.00	\$ 371,780.00		\$1,180,219.00		1180.2%
	Acquisition							
	Rehabilitation							
2.	Housing Services	\$ 200,000.00	\$ 0.00	\$ 48,419.00		\$ 205,519.00		102.8%
3.	Housing Management Services							
4.	Crime Prevention and Safety							
5.	Model Activities (specify below)							
a)								
6.	Planning and Administration	\$ 480,000.00	\$ 0.00	\$ 3,850.00		\$ 476,280.00		99.2%
7.	Total	\$9,600,000.00		\$9,600,000.00	\$ 100.00	\$9,600,000.00	\$ 100.00	100.0%

*Repayment of principal and accrued interest on direct loans made to eligible native Hawaiian families.

Grant Number 02NHGHI0001**Table IIb – Uses of NHHG Funds**

		Planned (from the NHP)		Year-to-Date		Cumulative-to-Date		Year-to-Date			Cumulative-to-Date		
Activity		Number of Units Planned	Number of Families Planned	Number of Units Completed	Number of Units Started Not Completed	Number of Units Completed	Number of Units Started Not Completed	Number of Families Assisted			Number of Families Assisted		
								Low-income Native Hawaiian Families	Non-Low-income Native Hawaiian Families	Non-Native Hawaiian Families	Low-income Native Hawaiian Families	Non-Low-income Native Hawaiian Families	Non-Native Hawaiian Families
(i)		(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)
1. Development													
a) Rental	Construction of new units	0	0	0	0	0	0	0	0	0	0	0	0
	Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	0	0	0	0	0	0	0	0	0	0	0	0
b) Homeownership	Construction of new units	158	158	12	47	84	47	12	0	0	84	0	0
	Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	10	10	0	0	0	0	0	0	0	0	0	0
2. Housing Services			32	0	0	0	0	96	0	0	111	0	0
3. Housing Management Services		0	0	0	0	0	0	0	0	0	0	0	0
4. Crime Prevention and Safety													
5. Model Activities (specify below)													
a)													
6. Planning and Administration													
7. Total		168	200	12	47	84	47	108	0	0	195	0	0

Part I – Reporting on the One-Year Native Hawaiian Housing Plan (NHP)

[NOTE: A separate Part I (that includes Tables I and II) must be completed for each open grant.]

Is this the final APR for this grant?

Check one: Yes

No ☒ X

Each year, the DHHL develops goals and objectives in the NHP that describe the use of NHHBG funds. At the end of the program year, a report on the progress made towards achievement of the goals and objectives is provided to the public and to HUD.

1. Report on each of the one-year goals and objectives identified in the NHP for this reporting period on a table format developed by the DHHL. The table should include the following information: Goal, Objective and Task Identification Number; Description of Goal, Objective or Task; Budgeted Amount by Goal, Objective or Task; Expended Amount by Goal, Objective or Task; Project or Program Description; and Accomplishments during the Program Year. Provide an explanation for any cost overruns or delays in completing Goals, Objectives or Tasks.

During FY 2005-06, infrastructure construction for residential lots in Lalamilo (Waimea, Hawaii) and Kaupea (Kapolei Village 8, Oahu), partially funded by the NHHBG, continued.

Lalamilo, Phase 1, consists of 37 lots, of which 12 are reserved for low-income families. Delays were encountered during plan review by the County of Hawaii. Grading of the area is underway and the County of Hawaii approved site plans in May 2006. Final subdivision approval is being processed and road and utility work initiated. House construction is anticipated to begin in October 2006.

Kaupea (326 residential lots) will be constructed in 3 phases. Phase 1 infrastructure construction is scheduled for completion by July 2006. House construction will commence at that time. Of the 326 lots, 78 lots are reserved for low-income families (19 in Phase 1 and a total of 59 in Phases 2 and 3).

Objective 1A, Task 2 (Task 3 in 02NHGHI0001) —Create at least one affordable housing program that encourages the self-help (sweat equity) construction method to assist a minimum of ten (10) low-income families achieve homeownership is currently in construction. Hawaii Island Community Development Corporation (HICDC) was contracted to assist low-income families construct their homes using the self-help method in the Panaewa, Unit 6, residential subdivision. A total of \$1,275,632 was expended from 02NHGHI0001 and \$32,425 is obligated from 03NHGHI001 for loans. The balance of \$175,960 for technical assistance is obligated from PY2 funds.

With regard to the NAHASDA Home Rehabilitation Program (Objective 1B, Task No. 1), agreements were finalized with the City and County of Honolulu and the County of Hawaii and procedures were agreed upon. The County of Hawaii has distributed 38 applications and three loans are in process. The City and County of Honolulu has made 2 loans. The requirement to enforce Davis Bacon for these projects is proving to be burdensome for the low-income families as it increases the cost to rehabilitate their homes.

See Attachment 10 for status details of each Objective and Task.

2. Are you on schedule to complete the 5-year goals identified in your NHHP?

Check one: Yes ☒ No ☐

3. If the answer to #2 is no, explain causes for delays and how you plan to modify your program to meet your 5-year goals and objectives.

NA

4. How would you change your programs in general as a result of your experience with the implementation of NAHASDA?

The requirement to adhere to Davis Bacon for the rehabilitation of single family homes has proved to be burdensome on low-income families. The cost of the repairs increases by about 30% to 40%. The rehabilitation programs utilizing CDBG funds does not require Davis Bacon if no more than 8 units are being rehabilitated. Low-income families obtain a no-interest or a low-interest loan (NHHBG funds) and the contract for repairs is between the homeowner and the contractor—only one house is being rehabilitated. This is a disincentive for families to utilize this program.

The Section 184A Loan Guarantee Program for individuals will be implemented very shortly.

Sources of Funds (Table I)

Explains the sources of funds that are available to DHHL for the housing activities. The information should be provided in table format and include: Funding Sources, Planned Amount, and Funds Actually Awarded (See Attachment 1 for a sample).

Funding Sources – A list of the grants, loans and donations that DHHL received to use for housing activities. Sources could include the NHHBG, other HUD grant programs, program income generated from NHHBG funds and activities, other federal grant programs, state grant programs, and private or commercial funding.

Planned Amount – A list of the planned amounts anticipated by DHHL to be received in the NHHP.

Funds Actually Awarded – A list of the amounts actually received by DHHL from the various funding sources.

Narrative:

If funds actually received are different than planned amounts, explain why the planned amount was not realized and how planned activities are impacted.

DHHL received approval from HUD to invest grant funds on October 20, 2004; however, the Tri-Party Agreement was not executed until October 2005 and accounts were established at Central Pacific Bank. The remaining PY 2 funds (approximately \$2.7 million) were invested in November 2005. As of June 30, 2006, \$39,289.00 was earned on the invested funds.

Uses of NHHG Funds (Table II)

Compares the funds planned to be expended in the NHHP by planned allowable activities to the actual funds expended for allowable activities. The information should be presented in a table format and compares the planned number of units and the planned number of families to be assisted in the NHHP to the actual number of units started or completed and the actual number of families assisted during the reporting period and cumulatively. (See Attachment 2 for a sample)

Narrative:

The design and construction of a multi-family building to implement a mutual housing program was deleted from the Native Hawaiian Housing Plan with the approval of ONAP on 1/25/05. The funds were redistributed to provide grants for homeownership activities, such as Individual Development Accounts, downpayment assistance programs, self-help repair program, and Habitat for Humanity.

In addition, the need for housing management services, such as loan processing, inspections, tenant selection, etc. did not present itself during this reporting period. The funds were utilized to provide other affordable housing activities.

Amount of NHHBG funds (principal only) invested as of this reporting period end date.

\$ 2,556,429.00

Grant Number 03NHGHI001**Table I – Sources of Funds**

Sources of Funds for NHHBG Activities	Planned Amount (from the NHHP)	Total Amount Actually Awarded
(a)	(b)	(c)
1. HUD Resources		
a. Native Hawaiian Housing Block Grant	\$9,600,000.00	\$9,537,600.00
b. Program Income	\$0.00	\$ 39,289.00
c. Other HUD Programs	\$0.00	\$0.00
2. Other Federal Resources	\$0.00	\$0.00
d.		
e.		
f.		
3. State Resources	\$0.00	\$0.00
g.		
h.		
i.		
4. Private Resources	\$0.00	\$0.00
j.		
k.		
l.		
5. Total Resources	\$9,600,000.00	\$9,576,889.00

Grant Number 03NHGHI001**Table IIa – Uses of NHHG Funds**

Activity		Planned (from the NHHG)		Year-to-Date		Cumulative-to-Date		
		Budgeted NHHBG Amount	Budgeted Other Amounts	Grant (NHHBG) Funds Expended	Other Funds Expended	Grant (NHHBG) Funds Expended	Other Funds Expended	Percentage of NHHBG Grant Funds Obligated
(a)		(b)	(c)	(d)	(e)	(f)	(g)	(h)
1. Development		\$6,500,000.00	\$0.00	\$2,185,478.00	\$ 39,289.00	\$6,656,984.00	\$ 39,289	122.4%
a) Rental	Construction of new units *							
	Acquisition							
	Rehabilitation							
b) Homeownership	Construction of new units	\$5,500,000.00	\$0.00	\$1,937,861.00	\$ 39,289.00	\$6,360,785.00	\$ 39,289.00	116.4%
	Loan Programs	\$1,000,000.00	\$0.00	\$ 85,162.00		\$ 85,162.00		41.0%
	Grants	\$ 810,720.00		\$ 162,455.00		\$ 211,037.00		141.8%
	Acquisition							
	Rehabilitation							
2. Housing Services		\$ 400,000.00	\$ 0.00	\$ 8,221.00		\$ 8,221.00		24.4%
3. Housing Management Services		\$ 900,000.00	\$0.00					0.0%
4. Crime Prevention and Safety		\$ 250,000.00	\$0.00					0.0%
5. Model Activities (specify below)								
a) Community Facility		\$ 200,000.00	\$0.00	\$ 12,500.00		\$ 37,500.00		55.6%
6. Planning and Administration		\$ 476,880.00		\$ 4,320.00		\$ 288,296.00		60.5%
7. Total		\$9,537,600.00		\$ 2,210,519.00	\$ 39,289.00	\$ 6,991,001.00	\$ 39,289.00	88.7%

*NOTE: The design and construction of a multi-family building to implement a mutual housing program was deleted from the Native Hawaiian Housing Plan with the approval of ONAP on 1/25/05. The funds were redistributed to other eligible housing activities.

Grant Number 03NHGHI001**Table IIb – Uses of NHHG Funds**

		Planned (from the NHHG)		Year-to-Date		Cumulative-to-Date		Year-to-Date			Cumulative-to-Date		
Activity		Number of Units Planned	Number of Families Planned	Number of Units Completed	Number of Units Started Not Completed	Number of Units Completed	Number of Units Started Not Completed	Number of Families Assisted			Number of Families Assisted		
								Low-income Native Hawaiian Families	Non Low-income Native Hawaiian Families	Non-Native Hawaiian Families	Low-income Native Hawaiian Families	Non Low-income Native Hawaiian Families	Non-Native Hawaiian Families
(i)		(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)
1. Development													
a) Rental	Construction of new units	0	0	0	0	0	0	0	0	0	0	0	0
	Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	0	0	0	0	0	0	0	0	0	0	0	0
b) Homeownership	Construction of new units	120	120	0	2	0	92	0	0	0	0	0	0
	Acquisition*	0	0	11	0	11	0	11	0	0	11	0	0
	Rehabilitation	50	50	0	0	0	0	100*	0	0	100	0	0
2. Housing Services		50	50	0	0	0	0	0	0	0	0	0	0
3. Housing Management Services		0	0	0	0	0	0	0	0	0	0	0	0
4. Crime Prevention and Safety													
5. Model Activities (specify below)													
a) Mutual Housing													
6. Planning and Administration													
7. Total		220	220	11	2	11	92	111	0	0	111	0	0

NOTE: Number of units started not completed includes start of infrastructure construction of residential lots; however, completion of new units are only counted when houses are completed.

*Downpayment assistance for 6 families participating with Hawaiian Community Assets and 5 families received downpayment assistance which were used to leverage Rural Development loans.

**Nanakuli Housing Corporation conducted home repair classes which were attended by 99 families. The families were taught how to rehabilitate their homes using materials obtained from Baseyard Hawaii, a nonprofit organization that obtains excess building materials from contractors, developers and other sources and provides to low-income families at no or very low cost. On site classes were also held to assist families. One C&C Rehab loan made.

Part I – Reporting on the One-Year Native Hawaiian Housing Plan (NHP)

[NOTE: A separate Part I (that includes Tables I and II) must be completed for each open grant.]

Is this the final APR for this grant? Check one: Yes No ☒ X

Each year, the DHHL develops goals and objectives in the NHP that describe the use of NHHBG funds. At the end of the program year, a report on the progress made towards achievement of the goals and objectives is provided to the public and to HUD.

1. Report on each of the one-year goals and objectives identified in the NHP for this reporting period on a table format developed by the DHHL. The table should include the following information: Goal, Objective and Task Identification Number; Description of Goal, Objective or Task; Budgeted Amount by Goal, Objective or Task; Expended Amount by Goal, Objective or Task; Project or Program Description; and Accomplishments during the Program Year. Provide an explanation for any cost overruns or delays in completing Goals, Objectives or Tasks.

Infrastructure for Kekaha Residential Lots (49 lots), partially funded by the NHHBG, was completed during this FY. House construction will commence in FY 06-07; therefore, no completed house units are reported. NHHBG funds will be used to subsidize the cost of houses for very-low income families at or below 50% of median. In addition, funds will be used to provide technical assistance to families constructing houses in the self-help project (20 units) and NHHBG funds will be used for interim construction loans for these self-help units.

The project in Kula, Maui, (Waiohuli/Keokea) was not funded with the NHHBG because the environmental report was not completed prior to obligation of funds. A replacement project was identified—Pi'ilani Mai Ke Kai (Anahola, Kauai); 25% of this project or 40 of the 160 lots will be reserved for low-income families. HUD Environmental Release of Funds was issued on July 17, 2006. Infrastructure construction should commence in early Fall 2006.

Technical assistance for a self-help project in Lalamilo, Hawaii (6) will be funded with funds from this grant; however, the units will be counted in PY2 because the infrastructure for these units were funded in PY2. Families have been selected and TA provider identified.

Subsidies to assist low-income families purchasing homes in the Kapolei, Oahu project will be expended from this PY funds. House construction has begun; loan closings (when subsidies will be required) and occupancy is expected to commence in October 2006; however, completed units will be counted in PY 2.

The NAHASDA Home Rehabilitation Program (Objective 1B, Task No. 1), is being implemented by the City and County of Honolulu and the County of Hawaii. One loan was made and work has begun. The Davis Bacon requirement has caused some concern with cost of rehabilitating units by low-income families. The units will be counted in the PY funded.

See Attachment 10 for status details of each Objective and Task.

2. Are you on schedule to complete the 5-year goals identified in your NHHP?

Check one: Yes ☒ No ☐

3. If the answer to #2 is no, explain causes for delays and how you plan to modify your program to meet your 5-year goals and objectives.

NA

4. How would you change your programs in general as a result of your experience with the implementation of NAHASDA?

No general changes are anticipated. DHHL has been able to work within the parameters of NAHASDA. However, the requirement for individual families to adhere to Davis Bacon is burdensome on low-income families.

The Section 184A Loan Guarantee Program for individuals will be implemented very shortly.

Sources of Funds (Table I)

Explains the sources of funds that are available to DHHL for the housing activities. The information should be provided in table format and include: Funding Sources, Planned Amount, and Funds Actually Awarded (See Attachment 1 for a sample).

Funding Sources – A list of the grants, loans and donations that DHHL received to use for housing activities. Sources could include the NHHBG, other HUD grant programs, program income generated from NHHBG funds and activities, other federal grant programs, state grant programs, and private or commercial funding.

Planned Amount – A list of the planned amounts anticipated by DHHL to be received in the NHHP.

Funds Actually Awarded – A list of the amounts actually received by DHHL from the various funding sources.

Narrative:

DHHL received approval from HUD to invest grant funds on October 20, 2004; however, the Tri-Party Agreement was not executed until October 2005 and accounts were established at Central Pacific Bank. The remaining PY 3 funds (approximately \$7.7 million) were invested in November 2005. As of June 30, 2006, \$91,146.00 was earned on the invested funds.

In addition, \$820.00 was received from the repayment of principal and interest on loans made with the NHHBG funds.

GRANT NUMBER: 04NH4HI0001

DHHL FYE: 6/30/06

Uses of NHHG Funds (Table II)

Compares the funds planned to be expended in the NHHG by planned allowable activities to the actual funds expended for allowable activities. The information should be presented in a table format and compares the planned number of units and the planned number of families to be assisted in the NHHG to the actual number of units started or completed and the actual number of families assisted during the reporting period and cumulatively. (See Attachment 2 for a sample)

Narrative:

Amount of NHHBG funds (principal only) invested as of this reporting period end date.

\$ 7,346,991.00

Grant Number 04NH4HI0001**Table I – Sources of Funds**

Sources of Funds for NHHBG Activities	Planned Amount (from the NHHP)	Total Amount Actually Awarded
(a)	(b)	(c)
1. HUD Resources		
a. Native Hawaiian Housing Block Grant	\$9,443,950.00	\$9,443,950.00
b. Program Income	\$0.00	\$ 91,966.00
c. Other HUD Programs	\$0.00	\$0.00
2. Other Federal Resources	\$0.00	\$0.00
a.		
b.		
c.		
3. State Resources	\$0.00	\$0.00
a.		
b.		
c.		
4. Private Resources	\$0.00	\$0.00
a.		
b.		
c.		
5. Total Resources	\$9,443,950.00	\$9,535,916.00

Grant Number 04NH4HI0001**Table IIa – Uses of NHHG Funds**

Activity		Planned (from the NHHP)		Year-to-Date		Cumulative-to-Date		
		Budgeted NHHBG Amount	Budgeted Other Amounts	Grant (NHHBG) Funds Expended	Other Funds Expended	Grant (NHHBG) Funds Expended	Other Funds Expended	Percentage of NHHBG Grant Funds Obligated
(a)		(b)	(c)	(d)	(e)	(f)	(g)	(h)
1. Development		\$7,851,753.00	\$0.00	\$ 1,665,318.00	\$ 91,146.00	\$ 1,871,131.00	\$ 91,146.00	25.9%
a) Rental	Construction of new units							
	Acquisition							
	Rehabilitation							
b)Homeownership	Construction of new units	\$6,851,753.00	\$0.00	\$ 1,665,318.00	\$ 91,146.00	\$ 1,871,131.00	\$ 91,146.00	29.7%
	Loan Programs	\$1,000.000.00	\$0.00					0.0%
	Grants							
	Acquisition							
	Rehabilitation							
2. Housing Services		\$ 400,000.00	\$ 0.00	\$ 39,167.00		\$ 39,167.00		38.7%
3.Housing Management Services		\$ 100,000.00	\$0.00					0.0%
4.Crime Prevention and Safety		\$ 120,000.00	\$0.00					0.0%
5.Model Activities (specify below)								0.0%
a)		\$ 500,000.00	\$0.00					0.0%
6.Planning and Administration		\$ 472,197.00			\$ 820.00	\$ 239,256.00	\$ 820.00	50.8%
7.Total		\$9,443,950.00		\$ 1,704,485.00	\$ 91,966.00	\$ 2,149,554.00	\$ 91,966.00	25.8%

Grant Number 04NH4HI0001**Table IIb – Uses of NHHG Funds**

		Planned (from the NHHP)		Year-to-Date		Cumulative-to-Date		Year-to-Date			Cumulative-to-Date		
Activity		Number of Units Planned	Number of Families Planned	Number of Units Completed	Number of Units Started Not Completed	Number of Units Completed	Number of Units Started Not Completed	Number of Families Assisted			Number of Families Assisted		
								Low-income Native Hawaiian Families	Non Low-income Native Hawaiian Families	Non-Native Hawaiian Families	Low-income Native Hawaiian Families	Non Low-income Native Hawaiian Families	Non-Native Hawaiian Families
(i)		(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)
1. Development													
a) Rental	Construction of new units	0	0	0	0	0	0	0	0	0	0	0	0
	Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	0	0	0	0	0	0	0	0	0	0	0	0
b) Homeownership	Construction of new units	105	105	0	0	0	22	0	0	0	0	0	0
	Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	20	20	0	0	0	0	0	0	0	0	0	0
2. Housing Services		50	50	0	0	0	0	27	0	0	27	0	0
3. Housing Management Services		0	0	0	0	0	0	0	0	0	0	0	0
4. Crime Prevention and Safety													
5. Model Activities (specify below)													
6. Planning and Administration													
7. Total		175	175	0	0	0	22	27	0	0	27	0	0

Part I – Reporting on the One-Year Native Hawaiian Housing Plan (NHHP)

[NOTE: A separate Part I (that includes Tables I and II) must be completed for each open grant.]

Is this the final APR for this grant?

Check one: Yes

No ☒ X

Each year, the DHHL develops goals and objectives in the NHHP that describe the use of NHHBG funds. At the end of the program year, a report on the progress made towards achievement of the goals and objectives is provided to the public and to HUD.

1. Report on each of the one-year goals and objectives identified in the NHHP for this reporting period on a table format developed by the DHHL. The table should include the following information: Goal, Objective and Task Identification Number; Description of Goal, Objective or Task; Budgeted Amount by Goal, Objective or Task; Expended Amount by Goal, Objective or Task; Project or Program Description; and Accomplishments during the Program Year. Provide an explanation for any cost overruns or delays in completing Goals, Objectives or Tasks.

Planning and engineering for East Kapolei 1 (403 lots) was initiated with PY1 funds. PY 4 funds will be used for a portion of infrastructure cost. Contractor has been given Notice to Proceed for mass grading. Approximately 65 lots will be reserved for low-income families.

DHHL intends to publish the FONSI and NOIRRF for the Laiopua Village 4 (Kona, Hawaii) subdivision in Summer 2006. This is a 242 lot residential subdivision; approximately 48 lots will be reserved for low-income families. Construction is scheduled to commence in late Fall 2006.

DHHL has developed a low-interest, downpayment loan program which will be submitted to the Hawaiian Homes Commission in August 2006 for approval. This program will provide downpayment assistance to low-income families for all developments and provide a consistent funding source for low-income families to achieve home ownership.

See Attachment 10 for status details of each Objective and Task.

2. Are you on schedule to complete the 5-year goals identified in your NHHP?

Check one: Yes

☒

No

☐

3. If the answer to #2 is no, explain causes for delays and how you plan to modify your program to meet your 5-year goals and objectives.

NA

4. How would you change your programs in general as a result of your experience with the implementation of NAHASDA?

No general changes are anticipated. DHHL has been able to work within the parameters of NAHASDA, with the exception of requiring individual families to comply with Davis Bacon to rehabilitate their homes.

The Section 184A Loan Guarantee Program for individuals will be implemented very shortly.

Sources of Funds (Table I)

Explains the sources of funds that are available to DHHL for the housing activities. The information should be provided in table format and include: Funding Sources, Planned Amount, and Funds Actually Awarded (See Attachment 1 for a sample).

Funding Sources – A list of the grants, loans and donations that DHHL received to use for housing activities. Sources could include the NHHBG, other HUD grant programs, program income generated from NHHBG funds and activities, other federal grant programs, state grant programs, and private or commercial funding.

Planned Amount – A list of the planned amounts anticipated by DHHL to be received in the NHHP.

Funds Actually Awarded – A list of the amounts actually received by DHHL from the various funding sources.

Narrative:

If funds actually received are different than planned amounts, explain why the planned amount was not realized and how planned activities are impacted.

DHHL received authorization to invest 05NH4HI0001 funds on December 6, 2005. The funds were deposited in Central Pacific Bank and earnings totaled \$88,752.00.

Uses of NHHG Funds (Table II)

Compares the funds planned to be expended in the NHHP by planned allowable activities to the actual funds expended for allowable activities. The information should be presented in a table format and compares the planned number of units and the planned number of families to be assisted in the NHHP to the actual number of units started or completed and the actual number of families assisted during the reporting period and cumulatively. (See Attachment 2 for a sample)

Narrative:

The obligation of funds has fallen behind in this fiscal year due to construction and design delays. It is anticipated that contracts will be executed during late 2006, with construction to commence shortly thereafter.

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Amount of NHHBG funds (principal only) invested as of this reporting period end date.

\$ 8,406,012.00

Grant Number 05NH4HI0001**Table I – Sources of Funds**

Sources of Funds for NHHBG Activities	Planned Amount (from the NHHP)	Total Amount Actually Awarded
(a)	(b)	(c)
1. HUD Resources		
a. Native Hawaiian Housing Block Grant	\$8,432,000.00	\$8,432,000.00
b. Program Income	\$0.00	\$ 88,752.00
c. Other HUD Programs	\$0.00	\$0.00
2. Other Federal Resources	\$0.00	\$0.00
a.		
b.		
c.		
3. State Resources	\$0.00	\$0.00
a.		
b.		
c.		
4. Private Resources	\$0.00	\$0.00
a.		
b.		
c.		
5. Total Resources	\$8,432,000.00	\$8,520,752.00

Grant Number 05NH4HI0001**Table IIa – Uses of NHHG Funds**

Activity		Planned (from the NHHG)		Year-to-Date		Cumulative-to-Date		Percentage of NHHBG Grant Funds Obligated
		Budgeted NHHBG Amount	Budgeted Other Amounts	Grant (NHHBG) Funds Expended	Other Funds Expended	Grant (NHHBG) Funds Expended	Other Funds Expended	
(a)		(b)	(c)	(d)	(e)	(f)	(g)	(h)
1. Development		\$7,500,000.00	\$0.00	\$ 147,324.00		\$ 147,324.00		11.7%
a) Rental	Construction of new units							
	Acquisition							
	Rehabilitation							
b) Homeownership	Construction of new units	\$6,600,000.00	\$0.00	\$ 147,324.00		\$ 147,324.00		13.3%
	Loan Programs	\$ 400,000.00	\$0.00					0.0%
	Grants	\$ 500,000.00						
	Acquisition							
	Rehabilitation							
2. Housing Services		\$ 250,000.00	\$ 0.00					0.0%
3. Housing Management Services		\$ 50,000.00	\$0.00					0.0%
4. Crime Prevention and Safety		\$ 50,000.00	\$0.00					0.0%
5. Model Activities (specify below)								0.0%
a)		\$ 160,400.00	\$0.00					0.0%
6. Planning and Administration		\$ 421,600.00		\$				0.0%
7. Total		\$8,432,000.00		\$ 147,324.00		\$ 147,324.00		10.3%

Grant Number 05NH4HI0001**Table IIb – Uses of NHHG Funds**

		Planned (from the NHHF)		Year-to-Date		Cumulative-to-Date		Year-to-Date			Cumulative-to-Date		
Activity		Number of Units Planned	Number of Families Planned	Number of Units Completed	Number of Units Started Not Completed	Number of Units Completed	Number of Units Started Not Completed	Number of Families Assisted			Number of Families Assisted		
								Low-income Native Hawaiian Families	Non Low-income Native Hawaiian Families	Non-Native Hawaiian Families	Low-income Native Hawaiian Families	Non Low-income Native Hawaiian Families	Non-Native Hawaiian Families
(i)		(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)
1. Development													
a) Rental	Construction of new units	0	0	0	0	0	0	0	0	0	0	0	0
	Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	0	0	0	0	0	0	0	0	0	0	0	0
b) Homeownership	Construction of new units	85	85	0	65	0	0	0	0	0	0	0	0
	Acquisition*	20	20	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	20	20	0	0	0	0	0	0	0	0	0	0
2. Housing Services		50	50	0	0	0	0	0	0	0	0	0	0
3. Housing Management Services		0	0	0	0	0	0	0	0	0	0	0	0
4. Crime Prevention and Safety													
5. Model Activities (specify below)													
6. Planning and Administration													
7. Total		175	175	0	65	0	0	0	0	0	0	0	0

* NOTE: Downpayment loans and IDAs will be identified here to document assistance to low-income home buyers.

Part II – Reporting on Program Year Accomplishments

[This Part is not grant specific. A single Part II consisting of Sections A through C (including the Inspection of Assisted Housing table), is to be prepared and submitted at the end of each fiscal year and will cover all open grants.]

SECTION A – ASSESSMENT

1. Self-Assessment: Sec. 819(b) of the NAHASDA requires the DHHL to annually review its activities and to include the results of this review in its APR. Under this section, provide a narrative briefly describing the activities monitored, the findings of the DHHL related to these activities, actions planned to address significant deficiencies, and any specific actions conducted to monitor sub-recipients.

DHHL monitors all contracts and subrecipient agreements according to conditions within the contracts. Physical inspections are done by DHHL staff or contractors hired by DHHL to verify progress of construction reported by contractors. Between July 1, 2005 to June 30, 2006, the following contractors/subrecipients were given Notice to Proceed:

City & County of Honolulu	\$ 50,000.00
To provide assistance to low and very-low income families rehabilitating their homes. If the families qualify for program, direct loans utilizing NHHBG funds would be available.	
County of Hawaii	\$ 50,000.00
To provide low and very-low income families assistance in rehabilitating their homes. If the families qualify for program direct loans utilizing NHHBG funds would be available.	
Self-Help Housing Corporation of Hawaii	\$ 80,000.00
Contract issued to identify families to participate in a self-help housing project in Kekaha and to assist the families in prequalifying for financing for a loan.	
Nanakuli Housing Corporation	\$154,968.00
To provide follow-up, case-management to families educated in their Road to Home-ownership program.	
Hawaii Island Community Development Corporation	\$212,000.00
Self-help technical assistance for 13 families	

SUBTOTAL: \$546,968.00

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Monitoring of the existing contracts/subrecipient agreements continued. The following agreements are still in place.

Hawaiian Community Development Board To assist 25 lessees on the island of Oahu obtain contractors to construct replacement homes on their homestead lot and provide downpayment assistance of \$15,000 each. (To date, 3 homes have been completed, 3 are under construction and 6 are readying to start construction.)	\$393,750.00
Hawaiian Community Assets For homeownership and financial literacy counseling in Maui County.	\$120,000.00
Nanakuli Housing Corporation For homeownership and financial literacy counseling on the islands of Oahu and Hawaii. This contract has been completed and closed.	\$135,000.00
Habitat for Humanity Maui For onsite infrastructure improvement for three lots. The improvements were completed, except for the last payment, during this period.	\$130,000.00
Habitat for Humanity Maui To assist 10 families on Maui construct homes and contract for masonry, electrical and plumbing. (To date, 5 houses have been completed, 5 are under construction.)	\$192,170.00
ALU LIKE, Inc. To provide matching funds for Individual Development Accounts for families on Lanai. (13 families are enrolled.)	\$ 45,000.00
Hawaiian Community Assets To provide downpayment assistance to families purchasing homes in Maui County. (6 downpayment grants have been made.)	\$180,000.00
Honolulu Habitat for Humanity To assist families on Oahu with homes that must be rebuilt/replaced. (To date, 1 house is almost complete and 2 more families have been selected.)	\$236,615.00

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Molokai Habitat for Humanity To assist 3 families build their homes. (To date, 1 house is under construction and 2 more families have been selected)	\$ 46,900.00
Nanakuli Housing Corporation To create and operate a self-help home repair program, teaching families how to make minor repairs and to maintain their homes. (99 families have participated in their program to date.)	\$150,000.00
Waimanalo Hawaiian Homestead Association To install fencing, security lights and parking lot for community facility. (The project is completed)	\$ 61,200.00
Papakolea Community Center For security enhancements of the community center (fire alarm, security doors, fencing).	\$ 50,000.00

SUBTOTAL: \$1,740,635.00

In addition to the contracts/subrecipient agreements being monitored by DHHL, the following projects, which are partially funded by NHHBG funds were in place between July 1, 2005 and June 30, 2006:

	NHHBG Funds
Panaewa Unit 6 (infrastructure 40 lots)	\$1,845,150.00
East Kapolei 1 (planning/on and off-site design)	\$ 447,300.00
Lalamilo Res. Lots Ph. 1 (12 lots for NAHASDA families)	\$2,000,000.00
Kaupea Ph. 1 (Kapolei) (19 lots for NAHASDA families)	\$4,000,000.00
Kekaha Res. Lots (Kauai) (infrastructure 22 NAHASDA)	\$1,848,700.00

SUBTOTAL: \$ 10,141,150.00

TOTAL: \$12,428,753.00

During DHHL's FY 06-07, the following projects will break ground:

Pi'ilani Mai Ke Kai (Anahola, Kauai), 160 lots (40 for NAHASDA eligible families)
 Kaupea Ph 2 and 3 (Kapolei, Oahu), 250 lots (59 for NAHASDA eligible families)
 East Kapolei, Ph 1 (Kapolei, Oahu), 403 lots (65 for NAHASDA eligible families)
 Laiopua Village 4 (Kona, Hawaii) 242 lots (48 for NAHASDA eligible families)

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DHHL has policies and procedures for financial management of all funds received and disbursed. Monthly financial reports to DHHL administrators and quarterly reports to the Hawaiian Homes Commission provide the financial status of all budgeted amounts versus actual expenditures by appropriations. Independent audits are conducted annually and a legislative audit is conducted every three years. DHHL has an accountant on staff to monitor receipt and disbursements of all NHHBG funds.

All procurement of services and goods are guided by the Hawaii Public Procurement Code, Hawaii Revised Statutes (HAR), Chapters 103D and 103F, in addition to 24

CFR Part 85. The DHHL Fiscal Office and/or the State Procurement Office reviews all contracts to ensure compliance.

DHHL staff received training from Mr. Robert Kroll, Deputy Administrator of the SWONAP Office, to ensure that the policies of the National Environmental Policy Act of 1969 (NEPA) and other provisions of Federal law (24 CFR 58.5) are implemented in the expenditure of NHHBG funds. An environmental review is conducted for each project or activity funded with NHHBG funds and the applicable forms completed prior to contracting.

In addition, three staff members completed requirements of Management Concepts' Grants Management Certificate Program for the Recipient and Pass-Through Tracks.

2. Assisted Housing Unit Inspection: Sec. 819(b)(2) specifies that self-assessment must include an on-site inspection of housing units assisted with NHHBG funds. A summary of the results of the assisted housing units inspected in this reporting period should be included in the APR in table format.

During this reporting period, there were no NAHASDA assisted rental units constructed on Hawaiian home lands; therefore, no inspections were conducted.

Inspection of Assisted Housing (Table III)

Provide the information in table format summarizing the results of assisted housing unit inspection. The table should include the following information: Type of Housing; Total Number of Assisted Housing; Number of Units Inspected; Number of Units in Standard Condition; Number of Units Needing Moderate Rehabilitation (costing less than \$20,000); Number of Units Needing Substantial Rehabilitation (costing more than \$20,000); and Number of Units Needing Replacement (See Attachment 3 for a sample).

SECTION B – PUBLIC ACCOUNTABILITY

Section 820(d) of NAHASDA requires the DHHL to make the APR available for public comment and to provide a summary of any comments received from beneficiaries with the submission to HUD. The DHHL placed the APR for DHHL FYE 6/30/06 on Grant Nos. 02NHGHI0001, 03NHGHI001, 04NH4HI0001 and 05NH4HI0001 on the DHHL website and invited comments from any interested party. In addition, copies of the APR were sent to the following organizations and individuals for comment:

1. Hawaiian Service Institutions and Agencies (HSIA)
 - a. ALU LIKE, Inc.
 - b. Office of Hawaiian Affairs
 - c. Queen Liliuokalani Children's Center
 - d. Kamehameha Schools
 - e. Bernice Pauahi Bishop Museum
 - f. Lunalilo Home
 - g. Queen Emma Foundation
 - h. Papa Ola Lokahi
2. Federal, State and County Housing Directors and Administrators
 - a. Lorraine Shin, State Director, USDA Rural Development
 - b. Gordan Furutani, Field Office Director, HUD
 - c. Michael Flores, Director, Public Housing, HUD
 - d. Edwin Okubo, Housing Administrator, County of Maui
 - e. Edwin Taira, Housing Administrator, County of Hawaii
 - f. Kenneth Rainforth, Executive on Housing, County of Kauai
 - g. Janice Takahashi, Acting, Executive Director, Hawaii Housing and Finance Development Corporation (HHFDC)
 - h. Gail Kaito, Department of Community Services, City & County of Honolulu
 - i. Gary Iwai, Division Chief, Community Assistance Division, City & County of Honolulu
3. Hui Kako'o 1Aina Ho'opulapula, Board of Directors (Applicant Organization)
 - a. Peter Kama, Oahu
 - b. Daniel Naho'opi'i, Oahu
 - c. Elmer Kaai, Jr., Oahu
 - d. Dickie Nelson, West Hawaii
 - e. Dutchie Saffery, East Hawaii
 - f. Winifred Basques, Lanai
 - g. Blossom Feiteira, Maui
 - h. Kehau Filimoeatu, Maui
 - i. Lynetter Haulani Fernandez, Kauai
 - j. KipuKai Kualii Kauai

- k. Judy Caparida, Molokai
 - l. Gordon Lee, Mainland
 - m. Kaipo Kincaid, Executive Director
4. State Council of Hawaiian Homestead Association (SCHHA)
- a. Executive Council
 - 1) Anthony Sang, Sr., Chairman & Oahu Ahupua`a President
 - 2) Robin Danner, Vice Chairman & Kauai Ahupu`a President
 - 3) Kammy Purdy, Secretary & Molokai Ahupu`a President
 - 4) Kanani Kapuniai, Director of Finance & Hawaii Ahupua`a President
 - 5) Kamaki Kanahele, III, Kahu
 - 6) Kenneth Kapeliela, Sergeant of Arms
 - 7) Moana Akana, Parliamentarian
 - 8) Paul Richards, Executive Director
 - 9) Rev. Tasha Kama, President/CEO & Maui Ahupua`a President
 - b. Aboriginal Native Hawaiian Association
 - c. Aged Hawaiians
 - d. Anahola Hawaiian Homes Assn.
 - e. Anahola Hawaiian Lands Farms Assn.
 - f. Anahola Homestead Native Hawaiian Assn.
 - g. Ha`ola Inc.
 - h. Hoolehua Homestead Agricultural Assn.
 - i. Hoolehua Homestead Assn.
 - j. Hui Ho`omau o Keaukaha Pana`ewa
 - k. Ka`Ohana O Kahikinui, Inc.
 - l. Kailapa Community Association
 - m. Kalalea Farmers Assn.
 - n. Kalamaula Mauka Homestead Assn.
 - o. Kalamaula Hawaiian Homestead Assn.
 - p. Kalawahine Streamside Association
 - q. Kamiloloa-One Alii Homesteaders Assn.
 - r. Kaniohale Homestead Association
 - s. Kapa`akea Homesteaders Assn.
 - t. Kawaihae Puaka`ilima Community Assn.
 - u. Keaukaha Community Association
 - v. Keaukaha-Panaewa Farmers Association
 - w. Kekaha Hawaiian Homesteaders Assn.
 - x. Keokea Hawaiian Homes Farmers Assn.
 - y. Kewalo Hawaiian Homestead Community Assn.
 - z. Maku`u Farmers Association
 - aa. Maluohai Residents Association
 - bb. Nanakuli Hawaiian Homestead Community Assn.
 - cc. Panaewa Hawaiian Home Lands Community Assn.
 - dd. Papakolea Community Assn.

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- ee. Paukukalo Hawaiian Homestead Community Assn., Inc.
 - ff. Princess Kahanu Estates Hawaiian Homes Assn.
 - gg. Waianae Kai Homestead Assn.
 - hh. Waianae Valley Homestead Community Assn.
 - ii. Waiehu Kou Community Homestead Assn.
 - jj. Waiehu Kou Residence Lots, Phase 2 Assn.
 - kk. Waiehu Kou Residence Lots, Phase 3 Assn.
 - ll. Waimanalo Hawaiian Homes Assn.
 - mm. Waimea Hawaiian Homesteaders Assn., Inc.
 - nn. Waiohuli Hawaiian Homesteaders, Inc.
5. Hawaiian Homes Commissioners
6. Department of Hawaiian Home Lands Administrators
- a. Micah Kane, Chairman, Hawaiian Homes Commission
 - b. Ben Henderson, Deputy to the Chairman
 - c. Kaulana Park, Executive Assistant
 - d. Kamanao Mills, Special Assistant
 - e. Rodney Lau, Administrative Services Officer
 - f. James Pao, Fiscal Management Officer
 - g. Darrell Yagodich, Program Planning Manager
 - h. Robert Hall, Homestead Services Administrator
 - i. Linda Chinn, Land Management Division, Interim Administrator
 - j. Lloyd Yonenaka, Information and Community Relations Officer
 - k. Francis Apoliona, Compliance Officer
 - l. Larry Sumida, Land Development Division Administrator

Table III – Inspection of Assisted Housing

Type of Housing	Total Number of Assisted Units	Units Inspected				
		Total Number of Units Inspected	Number of Units in Standard Condition	Number of Units Needing Moderate Rehabilitation (costing less than \$20,000)	Number of Units Needing Substantial Rehabilitation (more than \$20,000)	Number Units Needing Replacement
Homeownership	0	0	0	0	0	0
Rental	0	0	0	0	0	0
Total	0	0	0	0	0	0

ANNUAL PERFORMANCE REPORT---NATIVE HAWAIIAN HOUSING PLAN/NAHASDA 02NHGHI0001 PROGRAM YEAR 1					
	DESCRIPTION	BUDGET	FUNDS EXPENDED	PROJECT/PROGRAM	STATUS
GOAL NO. 1	To increase the affordable housing inventory on HHL to meet the increasing or unmet demand for housing by low-income nH families.	\$ 8,920,000.00			
OBJECTIVE 1A	To enhance the supply of affordable housing units through the construction of infrastructure improvements or single-family, multi-family, rent-to-own, or rental housing.				
TASK NO. 1	Design and construct new infrastructure improvements for at least one single-family residential subdivision.		\$ 1,845,150.28	Waiakea 6 (40 units)--Infrastructure construction--55% of units (22) for NAHASDA eligible families	Infrastructure COMPLETED.
			\$ 4,000,000.00	Waiehu Kou Ph.3 (115 units)--Infrastructure construction--of which 44% or 51 lots are to NAHASDA eligible families	Infrastructure COMPLETED.
			\$ 447,300.00	East Kapolei--Engineering and Design	Total cost of planning/on and off-site design was estimated at approximately \$2.5M. NAHASDA portion of \$447,300 is about 18% of total cost. Infrastructure construction is partially funded from 05NH4HI0001 and is reflected in that PY.
			\$ 94,078.83	Infrastructure on three lots in Waiohuli Maui	Infrastructure completed. Site work on driveway for Lot No. 158 completed, sitework and retaining wall for Kepa (Lot No. 305) and Haleakala (Lot No. 194) completed. Balance of project is funded in PY2.
			\$ 175,034.90	Building Homes/Building Lives--10 houses for Maui beneficiaries.	Five houses completed (Naeole, Keahi, Haleakala, Pahia, Kepa). Five houses are currently under construction (Kipapa, Davidson and Crawford in Waiohuli & Pali & Maialua in Waiehu Kou 3). Balance of project is funded in PY2.
TASK NO. 2	To partner with private non-profit and/or for-profit organizations in the construction of affordable housing units for at least one single-family residential subdivision.		\$ 564,000.00	Kapolei Self Help (33 units)--Technical assistance to supervise families in constructing homes	All 33 houses assisted with NHHBG funds completed and occupied. COMPLETED
			\$ 11,293.32	Waianae Valley Project (32 units)--Assistance to families in qualifying for mortgages.	Fourteen houses (14) in Phase 1 completed. For Phase 2 (18 houses), 12 houses (Lots 7,16,17,18,19,21,22,26,29,30,31,32) completed. 6 houses under construction (Lots 20,27,28,23,25,24).
TASK NO. 3	To create at least one affordable housing program that encourages the self-help (sweat equity) construction method and the use of private capital (if possible) to assist low-income families achieve homeownership.		\$ 349,265.00	Waiohuli Res. Lots (Kula) 17 families--TA for self-help construction and electrical, plumbing, wastewater and lot clearing	DHHL working with another nonprofit to complete project.

	DESCRIPTION	BUDGET	FUNDS EXPENDED	PROJECT/PROGRAM	STATUS
			\$ 36,040.00	Panaewa Unit 6 (13 lots)-- Technical Assistance and Low Interest Loans	Slabs poured for lots 9,10,11,12,13,14; lots 13 and 14 framed up to roof. All septic tanks installed. Balance of contract is funded in PY2.
TASK NO. 4	To support the provision of affordable housing activities by offering appropriate financing options to eligible nH.		\$ 1,275,631.78	Loan Programs	All loan funds drawn down from LOCCS to reimburse DHHL for interim loans deposited to escrow--total \$1,308,057--calculated interim interest to be an additional \$40,000 needed for the permanent loans, which will be paid out of PY2 funds. \$32,425.22 (balance of the interim loan for Kalamau) will be carried over into PY2 funds.
TASK NO. 5	To initiate the search for and acquisition of real estate, which may require renovation, for a mutual housing project--to provide housing, education and experience for eligible applicants to transition from renter to homeowner.		PROJECT DELETED		Letter sent ot ONAP to request deletion of this project from theNHHP. Letter from HUD, dated 7/26/04, approving request to delete activity received 8/2/04.
OBJECTIVE 1B	To assist in the preservation and revitalization of existing homes and communities on HHL.				
TASK NO. 1	Coordinate with existing Federal, State, local or private resources available for housing rehabilitation to eliminate duplication and leverage NAHASDA grant dollars.			All islands	Activity is funded in PY 2.
TASK NO. 2	Create a subsidized loan and/or grant program to assist eligible families rehabilitate or expand existing housing units.		\$ 131,800.00	25 replacement homes for Nanakuli	Currently, 3 houses completed (Helekahi, Mahelona, Wagner), 3 under construction (Kayatani, Kaulolu, Kahai), 6 loans approved and readying for construction (Alberto, Davis, Machado, Kaaihue, Salis, Tabali). Balance of project is funded in PY2.
GOAL NO. 2	To support the development and maintenance of healthy and safe communities on HHL.				Community Grant Program initiated in PY2.
GOAL NO. 3	To encourage self-determination within nH communities located on HHL in resolving housing and community development issues.				Community Grant Program initiated in PY 2.
GOAL NO. 4	To develop educational and training programs to address the housing and community needs on HHL.	\$ 200,000.00		All islands	
OBJECTIVE	To encourage development of and access to educational programs that assist nH families with financial literacy and pre- and post-homebuyer education.				
TASK	Partner with private non-profit or for-profit organizations to provide homebuyer counseling services or financial literacy education services to nH families who are eligible to purchase NAHASDA assisted units.		\$ 135,010.18	Oahu and Hawaii	Contract Complete. Final invoice received on 9/6/05. NHC held 7 orientation meetings (289 attendees) and 8 workshops (185 attended) on Oahu and Hawaii. 60 have received PQs from lenders. COMPLETED
			\$ 59,215.71	Maui County	Meeting held on 5/15/06 regarding Kekaha self- help selectees. HCA will assist applicants to get pq'd. This will adjust their budget back to original amount. Balance of project is funded in PY2.

	DESCRIPTION	BUDGET	FUNDS EXPENDED	PROJECT/PROGRAM	STATUS
GOAL NO. 5	To enhance the capacity to implement NAHASDA and actively seek partnership opportunities with non-profit and for-profit housing and housing related service providers.	\$ 480,000.00	\$ 186,478.74		
OBJECTIVE 5A	To provide sufficient administration and organizational capabilities to manage affordable housing programs, properties and assets on HHL.				
TASK NO. 1	Increase staff resources for DHHL to administer and manage the NAHASDA program.				NAHASDA staff now includes NAHASDA Coordinator (Sandra Asato), Accountant (Warren Kasashima) and Loans (Sharon Mendoza)
TASK NO. 2	Contract for survey beneficiary eligibility for NAHASDA assistance		\$ 105,610.00		Final report submitted by SMS Research. COMPLETED
			\$ 24,800.00		Alu Like used 2000 Census to obtain population profiles for selected HHL communities for NAHASDA planning. COMPLETED
TASK NO. 3	Enhance the loan servicing capacity available for lending on HHL.				Sharon Mendoza started work in the Mortgage Loan Specialist position for NAHASDA on 8/16/04
OBJECTIVE 5B	To establish collaborative partnerships to address affordable housing needs.				
TASK NO. 1	Provide technical assistance to community based organizations located on HHL, non-profit and for-profit affordable housing providers, nH service organizations, State and local housing agencies, and other organizations that provide housing and community services to educate these organizations about NAHASDA and to encourage partnerships and planning for future activities.		\$ 159,391.26		COMPLETED.
TASK NO. 2	Pursue opportunities to educate private lenders and encourage their participation in the Section 184A program or other financing programs created utilizing NAHASDA dollars.				Agreement between ONAP and DHHL executed on 5/21/06. Procedures being worked on by ONAP.
	TOTAL FUNDS EXPENDED	\$ 9,600,000.00	\$ 9,600,100.00		

NOTE: In addition to the original \$9,600,000, \$100 of program income from repayment of principal and interest on NAHASDA loans was expended.

ANNUAL PERFORMANCE REPORT--NATIVE HAWAIIAN HOUSING PLAN/NAHASDA 03NHGHI001 PROGRAM YEAR 2

	DESCRIPTION	FUNDS OBLIG.	EXPENDED	PROJECT/PROGRAM	STATUS
DHHL received notification from HUD on October 29, 2003, that the Native Hawaiian Housing Plan was accepted and funding of \$9,537,600 was the 2003 allocation for Grant No. 03NHGHI001					
GOAL NO. 1	Increase the affordable housing inventory on HHL to meet the increasing or unmet demand for housing by low-income nH families.				
OBJECTIVE 1A	Enhance the supply of affordable housing units through the construction of infrastructure improvements or single-family, multi-family, rent-to-own, or rental housing.				
TASK NO. 1	Design and construct new infrastructure improvements for at least one single-family residential subdivision to serve at least 40 eligible families.	\$ 2,000,000.00	\$ 2,000,000.00	Lalamilo Residential Lots Project, Phase I (36 lots)--Infrastructure construction--12 lots reserved for NAHASDA eligible families	Grading in process, construction plans for subdivision for roads and utilities approved by County on 5/26/06. Lower lots (20) have water lines and electric in. County processing final subdivision approval. CLOMR approved. Once houses completed, will file for LOMR.
				Kekaha Residential Lots (49 lots)--Infrastructure construction. Approx. \$3.75M.	Because of delays in contracting for this project, replacing this project with Kapolei Village 8, which was originally scheduled to use FY 04-05 funds.
		\$ 4,400,073.59	\$ 4,400,073.59	Kapolei Village 8 (326 lots)--Infrastructure construction--approx. 24% to NAHASDA eligible families.	Construction of Ph. 1 is slated to be completed by July, 2006. Site work for 3 phases about 80% complete. Currently in the process of turning over lots in Ph.1 to Shioi for house construction. First units to be completed by October 07.
		\$ 36,023.08		Infrastructure on three lots in Waiohuli Maui	In PY1 utilized \$94,078.83 of \$130,000. Balance will be expended from PY 2 funds. Infrastructure completed, except for retaining walls. Houses on Lots No. 194 and No. 305 completed. Site work on driveway for Lot No. 158 completed. Retaining wall on lot 305 started.
		\$ 17,135.10		Building Homes/Building Lives--10 houses for Maui beneficiaries.	In PY 1 \$175,034.90 of the \$192,170 obligated was expended. Balance will be expended from PY 2 funds. Four houses completed (Naeole, Keahi, Haleakala, Pahia). Three houses are currently under construction (Kepa in Waiohuli & Pali & Maiehua in Waiehu Kou 3). Three in Waiohuli will start in June (Davidson, Kipapa & Crawford). Buildathon held on June 10th with 200 volunteers.
TASK NO. 2	Create at least one affordable housing program that encourages the self-help (sweat equity) construction method to assist a minimum of ten (10) low-income families achieve homeownership.	\$ 175,960.00	\$ -	Panaewa Res Lots, Unit 6, 13 self-help houses.	In PY 1 expended \$36,040 of \$212,000 obligated. Balance will be expended from PY 2 funds.
TASK NO. 3	Support the provision of affordable housing by offering appropriate subsidies, which may be recaptured during the useful life period, and low interest loans to at least 20 eligible native Hawaiians	\$ 45,000.00	\$ -		There are 13 families enrolled. Two requests for matching funds received for Kahihikolo and Kanno. \$3,000 each. NO CHANGE.
		\$ 180,000.00	\$ 42,240.44	Downpayment Assistance Program for Maui County	Six DPA processed to date (Huihui, Tavares, Hanaike, Keahi, Rivera, Nihoa).
		\$ 236,615.00	\$ -	Rebuilding homes on Oahu	Kamaioipili house almost complete. Dedication expected on July 1. Expect to start next house end of August and two more by end of year.
		\$ 46,900.00	\$ -	Building at least 3 houses.	Damien Garces' home is under construction. Anticipate completion in August 2006. Molokai Habitat is preparing ERR for two more families.

	DESCRIPTION	FUNDS OBLIG.	EXPENDED	PROJECT/PROGRAM	STATUS
		\$ -	\$ -	Kapolei Village 8 -- \$630,000	First house turnover scheduled for 10/07. May need to move this over to PY 3 because of timing for drawdown.
		\$ 101,387.00	\$ 49,787.00	Various	Leverage loans with RD to provide funding for low income families. (Armitage, Kauhaahaa, Garner, Gilbert)
		\$ 261,950.00		25 replacement homes for Nanakuli	In PY 1 utilized \$131,800 of \$392,750 subrecipient agreement amount (8 DPA and \$11,800 TA). Balance will be expended from PY 2 funds. Currently, 3 houses completed (Helekahi, Mahelona, Wagner), 3 under construction (Kayatani, Kaulolu, Kahai), 6 loans approved and readying for construction (Alberto, Davis, Machado, Kaaihue, Salis, Tabali).
		\$ 32,425.22	\$ 32,425.22	Panaewa Res Lots, Unit 6, 13 self-help houses.	Balance of loans paid to escrow for Panaewa 6 Self-Help.
TASK NO. 4	Contract to design and construct a multi-family building to implement a mutual housing project--to provide housing, education and experience for at least 30 eligible applicants to transition from renter to homeowner.				Letter from ONAP approving request to delete activity, dated 1/25/05, received 1/31/05.
OBJECTIVE 1B	Assist in the preservation and revitalization of existing homes and communities on HHL.				
TASK NO. 1	Continue working with existing Federal, State, local or private resources available for housing rehabilitation to eliminate duplication of services and leverage NAHASDA grant dollars.	\$ 50,000.00	\$ 2,950.00		Contract with County of Hawaii to service. 38 applications sent out by County of Hawaii; 3 loans in process.
		\$ 50,000.00	\$ -		Contract with City and County of Honolulu to service. Two loans approved.
TASK NO. 2	Continue providing subsidized loans and/or grant program to assist at least 20 eligible families rehabilitate or expand existing housing units.	\$ 50,000.00	\$ 50,000.00		No interest, no payment loan with retention period of 20 years for Wright--first loan for C&C Rehab Loan Program
TASK NO. 3	Work with a non-profit organization to create a pilot self-help program to do small repairs/painting on existing homes for at least 15 families	\$ 150,000.00	\$ 143,317.57	Self-help repair program for small home repairs.	Nanakuli Housing Corp. conducted classes with 99 participants in plumbing, doors, windows, and minor electrical repairs. On site classes were also conducted. Families were able to obtain construction materials at no cost from Baseyard Hawaii, a subsidiary of Nanakuli Housing.
GOAL NO. 2	Support the development and maintenance of healthy and safe communities on HHL.				
OBJECTIVE 2A	Support community-based initiatives which encourage "healthy" communities.				
TASK	Develop a community facility within at least one homestead community to provide a meeting area and community services for kupuna (elderly) and youth activities, cultural activities, community gardens and a police substation.	\$ 61,200.00	\$ -	Install fencing, security lights, parking lot for community center	New invoices received, Fiscal requesting additional documentation. Spoke to JoeAnn Sang on 3/15/06. NO CHANGE.
OBJECTIVE 2B	Enhance public safety in the homestead communities.				
TASK	Work with community and resident organizations to develop projects that address drug abuse, family abuse, community policing and traffic within at least two communities.		\$ -	Renovate units to house police substation and to provide training and resources to lessees	Met with Erik of AHHP on 6/1/06 to discuss budget and scope of work. ER satisfactory. Budget and scope of work being finalized. May need to move this project to PY3.

	DESCRIPTION	FUNDS OBLIG.	EXPENDED	PROJECT/PROGRAM	STATUS
		\$ 50,000.00	\$ 25,000.00	Renovation of vacant room and safety and security enhancements to the exterior and park grounds.	Papakolea Community Center -- Doors purchased and will be installed.
GOAL NO. 3	Encourage self-determination within nH communities located on HHL in resolving housing and community development issues.				
OBJECTIVE	Equip and empower community organizations and the Hui Kako'o to become active partners in resolving housing and community development issues within their communities.				
TASK	Provide technical assistance to community-based organizations located on Hawaiian home lands, Hui Kako'o, non-profit and for-profit affordable housing providers, native Hawaiian service organizations, State and local housing agencies, and other organizations that provide housing and community services to educate these organizations about NAHASDA and encourage partnership and planning for future activities.	\$ 5,608.74	\$ 5,608.74	Community Grant Program Training	COMPLETED.
GOAL NO. 4	Continue educational and training programs to address the housing and community needs on HHL.				
OBJECTIVE	Encourage the continuing development of and access to educational programs that assist nH families with financial literacy and pre- and post-homebuyer education, especially where new subdivisions have been or will be constructed in Lanai; Kula, Maui; Kekaha, Kauai; Waiakea and Piihonua, Hawaii.				
	Contract with private non-profit or for-profit organizations to provide homebuyer counseling services or financial literacy education to nH families who are eligible to purchase NAHASDA assisted units, to assist families who are delinquent in their mortgage payments, to provide early intervention when families are in crisis and to provide training to families in financial management for life strategies.			2nd year funding for homeownership classes-- pending \$559,800	First year grant goals will include Kekaha self-help selectees. New grant will commence upon completion of first grant.
		\$ 60,784.29		Maui County	In PY 1 \$59,215.71 of \$120,000 contract was expended. Balance of \$60,784.29 will be expended from PY 2 funds and include the Kekaha self-help selectees.
		\$ 31,253.68		Waianae Valley Project (32 units)--Assistance to families in qualifying for mortgages.	In PY 1 \$11,293.32 of the \$42,547 contract was utilized to counsel families. Balance of \$31,253.68 will be expended from PY 2 funds. Fourteen houses (14) in Phase 1 completed. For Phase 2 (18 houses), 12 houses (Lots 7,16,17,19,18,21, 22,26,29,30,31,32) completed. 6 houses under construction (Lots 20,24,27,28,23,25).
TASK 1	Work with community associations to provide training classes for at least 15 homeowners to do home repairs and maintenance (In addition to self-help repair program.)				
TASK 2	Enhance the capacity to implement NAHASDA and actively seek partnership opportunities with non-profit and for-profit housing and housing related service providers.	\$ 288,295.82	\$ 288,295.82		

	DESCRIPTION	FUNDS OBLIG.	EXPENDED	PROJECT/PROGRAM	STATUS
GOAL NO. 5	Provide sufficient administration and organizational capabilities to manage affordable housing programs, properties and assets on HHL.				
OBJECTIVE 5A	Hire an accountant to maintain records of NAHASDA expended funds and provide required reporting				COMPLETED.
TASK NO. 1	Hire one additional loan servicing person to provide loan origination and servicing of NAHASDA loan funds.				COMPLETED.
TASK NO. 2	Continue collaborative partnerships addressing affordable housing needs.				Met with Maui homestead organizations on 4/21/06 to provide information on available providers who they can partner with. Asked the leaders to look at available services and work with providers. NO CHANGE.
OBJECTIVE 5B	Provide opportunities for applicant based organizations, such as Hui Kako'o, to organize area applicants to participate in planning of future homestead developments.				Met with Kaipo Kincaid and Homestead Services Division (Bobby Hall) on 5/15/06 to determine scope of work for locating Kauai applicants with incorrect addresses.
TASK NO. 1	Dependent on proposed rules for the use of Section 184A loan program, pursue opportunities to educate private lenders and encourage their participation in the Section 184A program or other financial programs that use NAHASDA dollars.			Waiohuli Residence Lots--17 residential lots for house construction.	DHHL obtained 11 loans from Wells Fargo as institutional borrower. In April 2006, these loans were paid in full with Trust Funds to mitigate losses. Agreement between ONAP and DHHL to enable individual borrowers to access program executed on 5/21/06. ONAP working on procedures.
	TOTAL	\$ 8,330,611.52	\$ 7,039,698.38		

ANNUAL PERFORMANCE REPORT---NATIVE HAWAIIAN HOUSING PLAN/NAHASDA 04NH4HI0001 PROGRAM YEAR 3

	DESCRIPTION	FUNDS OBLIG.	EXPENDED	PROJECT/PROGRAM	STATUS
DHHL received notification the NHHP in compliance on 10/19/04. NHHBG in amount of \$9,443,950					
GOAL NO. 1	Increase the affordable housing inventory on HHL to meet the increasing or unmet demand for housing by low-income nH families.				
OBJECTIVE 1A	Increase the supply of affordable housing units through the construction of infrastructure improvements or single-family, multi-family, rent-to-own, or rental housing.				
TASK NO. 1	Design and construct new infrastructure improvements for at least one single-family residential subdivision to serve at least 75 eligible families.			Kapolei Village 8 \$4.4M budgeted	Moved to 2nd Program Year Funds. Authority to Use Grant Funds received 12/10/04.
		\$ 1,848,700.25	\$1,832,277.30	Kekaha Residential Lots (49 lots)-Infrastructure construction. 22 lots reserved for NAHASDA eligible families	File Plan recorded and issuance of File Plan 2420 by Bureau of Conveyances received. House construction held up by permitting and appraisals--submittal of construction contracts by builder.
				Waiohuli/Keokea Maui \$4M budgeted	Project deleted because ERR not completed before contracting.
				Anahola Residence Lots, Unit 6 (Pi'ilani Mai Ke Kai)	Request for Release of Funds and Certification sent to ONAP on 6/23/06 for \$7 M for infrastructure, house construction loans or down-payment assistance.
TASK NO. 2	Provide funding for technical assistance for at least one affordable housing project that encourages the self-help (sweat equity) construction method to assist a minimum of ten (10) low-income families achieve homeownership.	\$ 80,000.00	\$80,000.00	Self-Help Housing Corporation of Hawaii \$250,000 (20 units)	DHHL sent SCHHC letter on May 4, 2006 to cancel contract. Scope of work has actually been completed, except for construction phase. Will pay out balance of contract and close. Grant proposal for the \$175,000 balance was denied in same letter. DHHL seeking another self-help provider.
				Lalamilo Residence Lots, self-help--Technical Assistance Contract	NOIRRF published 4/20/06 to include TA (\$113,500) and assistance to 6 families (see Menehune grant of \$58,800). HUD approval for Release of Funds received on 5/23/06.
		\$ 58,800.00		Menehune Development Lalamilo Self-Help \$58,800 (6 units)	NOIRRF published 4/20/06. HUD approval for Release of Funds received on 5/23/06. Awaiting contract for TA to be executed.
				Menehune Development Molokai Self-Help \$68,600 (7 units)	MDC requested withdrawal of grant proposal.
TASK NO. 3	Support the provision of affordable housing by offering appropriate subsidies, which may be recaptured during the useful life period, and low-interest loans to at least 20 eligible native Hawaiians.			Kekaha Residence Lots--\$175000	Hawaiian Homes Commission approved a \$25,000 subsidy to families at or below 50% of median in the Kekaha project. Currently processing 7 families for eligibility. NO CHANGE
				Kaupea--Kapolei Village 8--\$2.1M for \$35,000 subsidy for 60 families	HHC approved subsidy (\$35,000@) for the 60 homes that should be reserved to NAHASDA eligible families. House construction should start late summer. Completion is scheduled for 10/06 for Ph 1.
OBJECTIVE 1B	Assist in the preservation and revitalization of existing homes and communities on HHL.				

	DESCRIPTION	FUNDS OBLIG.	EXPENDED	PROJECT/PROGRAM	STATUS
TASK NO. 1	Continue working with existing Federal, State, local or private resources available for housing rehabilitation to eliminate duplication of services and leverage NAHASDA grant dollars.				Program with County of Hawaii and the City & County of Honolulu ongoing. Loans will be issued upon qualification of borrowers as agencies submit loan packages for rehabilitation of units, which also includes no-interest, no-payment "loans" to very-low income elderly lessees. Davis Bacon is driving cost up.
TASK NO. 2	Continue providing subsidized loans and/or grant program to assist at least 20 eligible families rehabilitate or expand existing housing units.				Program with County of Hawaii and the City & County of Honolulu ongoing. Loans will be issued upon qualification of borrowers as agencies submit loan packages for rehabilitation of units, which also includes no-interest, no-payment "loans" to very-low income elderly lessees.
GOAL NO. 2	Support the development and maintenance of healthy and safe communities on HHL.				
OBJECTIVE 2A	Support community-based initiatives which encourage "healthy" communities.				
TASK	Develop a community facility within at least one homestead community to provide a meeting area and community services for kupuna (elderly) and youth activities, cultural activities, community gardens and a police substation.				May move the Anahola Homestead Association model activity to this PY. Still working on their budget.
OBJECTIVE 2B	Enhance public safety in the homestead communities.				
TASK	Work with community & resident organizations to develop projects that address drug abuse, family abuse, community policing & traffic within at least 2 communities.				Met with community leaders to encourage partnerships with non-profit organizations to provide housing services. No requests received.
GOAL NO. 3	Encourage self-determination within nH communities located on HHL in resolving housing and community development issues.				Met with community leaders to encourage partnerships with non-profit organizations to provide housing services. No requests received.
OBJECTIVE	Equip and empower community organizations and Hui Kako'o become active partners in resolving hsg. and community development issues within their communities.				
TASK	DHHL staff and/or contractor to educate community based organizations located on Hawaiian home lands, Hui Kako'o, non-profit and for-profit affordable housing providers, native Hawaiian service organizations, State and local housing agencies, and other organizations that provide housing and community services about eligible activities than can be funded by NAHASDA, to build capacity within these organizations and to provide assistance in applying for grants or loans as sub-recipients to do housing-related activities.				CNHA submitted proposal; however, they are not on the Professional Services List of providers. Therefore, will need to publish Request for Proposals.
GOAL NO. 4	Continue educational and training programs to address the housing and community needs on HHL.				
OBJECTIVE	Encourage the continuing development of and access to educational programs that assist nH families with financial literacy and pre- and post-homebuyer education, especially where new subdivisions have been or will be constructed.				

	DESCRIPTION	FUNDS OBLIG.	EXPENDED	PROJECT/PROGRAM	STATUS
TASK	Contract with private non-profit or for-profit organizations to provide homebuyer counseling services or financial literacy education to nH families who are eligible to purchase NAHASDA assisted units, to assist families who are delinquent in their mortgage payments, to provide early intervention when families are in crisis and to provide training to families in financial management for life strategies.	\$ 154,968.00	\$28,342.89	Nanakuli Housing Corporaiton-- Road to Homeownership	NHC working with 27 past participants for case management. 10 have been prequalified and waiting for lot selection, 7 have selected lots and are waiting for their homes to be constructed, 2 have purchased homes and moved-in, 8 are working on action plans to improve their financial status.
GOAL NO. 5	Enhance the capacity to implement NAHASDA and actively seek partnership opportunities w/ non-profit & for-profit housing & housing- related service providers.				
OBJECTIVE 5A	Provide sufficient administration and organizational capabilities to manage affordable housing programs, properties and assets on HHL.	\$ 181,845.54	\$ 181,845.54		
TASK	Hire a grants specialist to assist in the reviewing of grant proposals, documenting grants, monitoring of subrecipients, and record keeping.				Completed draft position description. ASO preparing necessary documentation to fill position. NO CHANGE.
OBJECTIVE 5B	Continue collaborative partnerships addressing affordable housing needs				
TASK NO. 1	Continue to provide opp. for applicant based org., such as Hui Kako'o to organize area applicants to participate in planning of future homestead dev.				
TASK NO. 2	Pursue use of Section 184A loan program.				Agreement executed by DHHL and ONAP on 5/21/06. ONAP preparing procedures.
	TOTAL	\$ 2,324,313.79	\$2,122,465.73		

ANNUAL PERFORMANCE REPORT---NATIVE HAWAIIAN HOUSING PLAN/NAHASDA 05NH4HI0001 PROGRAM YEAR 4

	DESCRIPTION	BUDGET	FUNDS OBLIG.	PROJECT/PROGRAM	STATUS
DHHL received notification the NHP in compliance on 8/30/05. NHHBG in amount of \$8,432,000					
GOAL NO. 1	Increase the affordable housing inventory on HHL to meet the increasing or unmet demand for housing by low-income nH families.	\$ 7,550,000.00			
OBJECTIVE 1A	Increase the supply of affordable housing units through the construction of infrastructure improvements or single-family housing.				
TASK NO. 1	Construct infrastructure improvements for at least one single-family residential subdivision on the leeward coast of the island of Oahu to serve at least 50 eligible families and one on an outer island to serve at least 25 families.		\$ 879,000.00	East Kapolei (\$6.5M) over a three-year period.	Total cost Mass Grading contract for East Kapolei I to Royal Contracting Co., Ltd.--(DHHL Trust Funds - \$4,006,977.00, NAHASDA - \$879,00.00) Total - \$4,885,977.00. Red ilima removed and transplanted, dust screens up.
				Kaupuni Village (FKA:Consuelo) -- Waianae 21 residential lots. (\$3.5 M)	EA finalized. Consultant preparing HUD forms. Engineering plans underway. Anticipate going out to bid in July 2006. Surcharging underway.
TASK NO. 2	Provide funding for technical assistance for at least one affordable housing project that encourages the self-help (sweat equity) construction method to assist a minimum of ten (10) low-income families achieve homeownership.				Proposal for Habitat for Humanity self-help construction projects on Maui (\$356,940) and Molokai (\$74,400) received 5/19/06. Grants Review Advisory Committee met on 6/27/06 and recommendations will be submitted to the Hawaiian Homes Commission for approval in August.
TASK NO. 3	Support the provision of affordable housing by offering appropriate subsidies, which may be recaptured during the useful life period, and low-interest loans to at least 20 eligible native Hawaiians.				Homestead Services Division staff preparing submittal to Hawaiian Homes Commission in July to create a low-interest downpayment loan program (\$15 M)
OBJECTIVE 1B	Assist in the preservation and revitalization of existing homes and communities on HHL.				
TASK NO. 1	Continue working with existing Federal, State, local or private resources available for housing rehabilitation to eliminate duplication of services and leverage NAHASDA grant dollars.				Program with County of Hawaii and the City & County of Honolulu ongoing. Loans will be issued upon qualification of borrowers as agencies submit loan packages for rehabilitation of units, which also includes no-interest, no-payment "loans" to very-low income elderly lessees.Davis Bacon is driving cost up.
TASK NO. 2	Continue providing subsidized loans and/or grant program to assist at least 20 eligible families rehabilitate or expand existing housing units.				Program with County of Hawaii and the City & County of Honolulu ongoing. Loans will be issued upon qualification of borrowers as agencies submit loan packages for rehabilitation of units, which also includes no-interest, no-payment "loans" to very-low income elderly lessees.Davis Bacon is driving cost up.
					Proposal for a mobile self-help rehabilitation project received 5/19/06. Grants Review Advisory Committee met on 6/27/06 and recommendations will be submitted to the Hawaiian Homes Commission for approval in August.
GOAL NO. 2	Support the development and maintenance of healthy and safe communities on HHL.				
OBJECTIVE 2A	Support community-based initiatives which encourage "healthy" communities.	\$ 160,400.00			

	DESCRIPTION	BUDGET	FUNDS OBLIG.	PROJECT/PROGRAM	STATUS
TASK	Develop a community facility within at least one homestead community to provide a meeting area and community services for kupuna (elderly) and youth activities, cultural activities, community gardens and a police substation.				
OBJECTIVE 2B	Enhance public safety in the homestead communities.	\$ 50,000.00			
TASK	Work with community & resident organizations to develop projects that address drug abuse (such as "scared straight"), family abuse, community policing & traffic (speed bumps) within at least 2 communities.				
GOAL NO. 3	Encourage self-determination within nH communities located on HHL in resolving housing and community development issues.	\$ 50,000.00			
OBJECTIVE	Equip and empower community organizations and Hui Kako'o become active partners in resolving hsg. and community development issues within their communities.				
TASK NO. 1	Work with community & resident organizations to develop programs such as home retention (helping families who are delinquent in their mortgage payments), minor repairs, and other eligible projects.				
TASK NO. 2	Provide funding for Hui Kako'o to further their efforts in expediting the placement of eligible affordable housing applicants on HHL.				Hui Kakoo working with Homestead Services Division to locate Kauai applicants who are eligible to receive lease awards.
GOAL NO. 4	Continue educational and training programs to address the housing and community needs on HHL.	\$ 200,000.00			
OBJECTIVE	Encourage the continuing development of and access to educational programs that assist nH families with financial literacy and pre- and post-homebuyer education, especially where new subdivisions have been or will be constructed.				
TASK	Contract with private non-profit or for-profit organizations to provide homebuyer counseling services or financial literacy education to nH families who are eligible to purchase NAHASDA assisted units, to assist families who are delinquent in their mortgage payments, to provide early intervention when families are in crisis and to provide training to families in financial management for life strategies.				
GOAL NO. 5	Enhance the capacity to implement NAHASDA and actively seek partnership opportunities w/ non-profit & for-profit housing & housing-related service providers.	\$ 421,600.00			
OBJECTIVE 5A	Provide sufficient administration and organizational capabilities to manage affordable housing programs, properties and assets on HHL.				
TASK NO. 1	Provide training to grants specialist to assist in the reviewing of grant proposals, documenting grants, monitoring of subrecipients and record keeping.				
TASK NO. 2	Provide assistance to individuals, non-profit and for-profit organizations, and public entities in preparing Environmental Review documentation to utilize NHHBG funds.				

	DESCRIPTION	BUDGET	FUNDS OBLIG.	PROJECT/PROGRAM	STATUS
OBJECTIVE 5B	Continue collaborative partnerships addressing affordable housing needs				
TASK NO. 1	Continue working with ONAP to implement Section 184A loan program for individual borrowers.				
TASK NO. 2	Document procedures in utilizing the Section 184A loan program on HHL using the pilot program of 12 loans in Kula, Maui Hawaii, as an example.				
TASK NO. 3	Coordinate with local and national lenders to utilize Section 184A on HHL.				
	TOTAL	\$ 8,432,000.00	\$ 879,000.00		